

SENATE BILL REPORT

SB 6664

As of February 1, 2008

Title: An act relating to indexing the one hundred fifty thousand dollar death benefit for public employees.

Brief Description: Indexing the one hundred fifty thousand dollar death benefit for public employees.

Sponsors: Senators Carrell, Pridemore, Roach, Fraser, McCaslin, Pflug and Rasmussen; by request of Select Committee on Pension Policy and LEOFF Plan 2 Retirement Board.

Brief History:

Committee Activity: Ways & Means: 1/31/08.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Erik Sund (786-7454)

Background: Survivors of public employees who die as a result of injuries or occupational disease arising in the course of employment are eligible to receive a lump sum benefit of \$150,000. This benefit is available in the Public Employees', Teachers', School Employees', Public Safety Employees', Washington State Patrol, Law Enforcement Officers' and Fire Fighters', and Judicial Retirement Systems (PERS, TRS, SERS, PSERS, WSPRS, LEOFF, and JRS). The benefit is also available to survivors of members of the Volunteer Fire Fighters' and Reserve Officers' Relief and Pension System (VFFRORPS), members of the higher education retirement plans, and to state, school district, and higher education employees who are not members of a state retirement system. In the case of members who do not belong to a state retirement system, the \$150,000 death benefit is paid from the state General Fund.

In addition to the \$150,000 lump sum benefit, survivors of members of the state retirement systems are generally eligible for either a refund of the member's pension contributions, plus interest, or a retirement allowance. Survivors may also be eligible for a workers' compensation death benefit from the Department of Labor and Industries, a Social Security death benefit, and, in the case of public safety officers, a federal lump sum death benefit under the Public Safety Officers Benefit Act of 197.

Summary of Bill: The \$150,000 lump sum death benefit payable in the various state retirement systems, the higher education retirement plans, and to state, school district, and higher education employees who do not belong to a state retirement system is indexed to inflation as measured by the Consumer Price Index for Urban Wage Earners and Clerical Workers in the Seattle-Tacoma-Bremerton area (Seattle CPI-W). The lump sum death benefits

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are increased annually by the cumulative rate of growth in the Seattle CPI-W, with a maximum annual increase of 3 percent. The lump sum death benefits may not be reduced below their starting values as a result of deflation.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect on July 1, 2008.

Staff Summary of Public Testimony: None.

Persons Testifying: No one.